

Summary

2006 Nebraska Tax Expenditure Report

SECTION A – Nebraska and Local Option Sales and Use Tax

Page		Actual or Estimated Tax Expenditure Cost NA = Not Available
	Exemptions	
A1	Property sold to a Native American Indian living on the Indian Reservation when the sale is within the boundaries of such	\$2,850,000
A1	Wire orders received by Nebraska florists	\$535,000
A1	Accessories purchased for use with the common or contract carrier vehicle not included in list price of vehicle	NA
A2	Equipment required by a federal or state regulatory agency to be included on a vehicle for the safety of passengers or cargo	NA
A2	Meals furnished at fraternities, sororities, co-ops, or summer camps	\$438,000
A2	Sales of property intended for resale, rental, or lease	\$1,561,000,000
A2	Rebates granted by motor vehicle or motorboat dealers or manufacturers	\$13,500,000
A2	Occasional sales:	
	An inter-company sale	NA
	Garage sales	
	Business or farm machinery and equipment	NA
	Property by a religious organization	NA
	Property of a trade or business to a single buyer	NA
A2	Room rentals made by hospitals, nursing homes, college dorms and other such facilities licensed by the state	\$54,800,000
A2	Lodging rented for 30 days or longer	\$65,400,000
A2	Cash discounts taken on sales	\$1,963,000
A2	Separately stated finance, service, or interest charges on credit extended under a deferred payment plan	\$269,000
A2	Any taxes legally imposed on the consumer that are separately stated on the invoice given to the purchaser (i.e. federal luxury tax)	Minimal
A3	Value of trade-ins taken with a sale of property	\$3,950,000
A3	Trade-in value of a motor vehicle	\$128,370,000
A3	Purchases by the U.S. government	(State taxation prohibited)
A3	Fuel for use in aircraft	\$6,520,000
A3	Minerals, oil, and gas severed from the ground	\$6,028,000
A3	Motor vehicle fuels	\$194,000,000
A3	Newspapers and ad supplements issued at least once a week	\$5,890,000
A3	Leased property sold to a lessee	NA
A3	Prescription medicines, medical equipment, and supplies	\$59,407,000
A3	Meals and food served by schools	\$3,250,000
A3	Meals and food products sold by a church	\$625,000
A3	Meals and food served to patients and inmates of hospitals and other institutions	\$10,281,000 or \$5,675,000
A3	Fees charged by ballot candidates/political party committees	Minimal
A3	Fees charged by schools at functions	\$1,089,000
A4	Property retained solely for transporting out-of-state or to be incorporated into other property which will be transported out-of-state	\$3,209,000

A4	Charges for fabrication of property owned by a customer which is fabricated in this state and then shipped out of state.	NA
A4	Purchases made by religious organizations, schools, colleges, universities, hospitals, nursing facilities, etc.	\$42,327,000
A4	A contractor appointed as the purchasing agent of the above entities	\$9,925,000
A4	Refund of sales and use tax to organizations not using purchasing agents for construction or repair projects	NA
A4	Sales and purchases of energy sources and fuels when more than fifty percent of the amount purchases if for irrigation or farming	\$86,200,000
A5	Sales and purchases of such energy sources or fuels	\$91,900,000
A5	Water used for irrigation of ag land and manufacturing purposes	\$1,250,000
A5	The use of coin-operated machines used for laundering and cleaning, except the cleaning or washing of motor vehicles	\$711,000
A5	Purchases by state or local governments	\$182,000,000
A5	The appointment of purchasing agents as related to above	(Included above)
A5	Purchases made by the Nebraska State Fair Board	\$55,000
A5	Purchases made by NIFA, the SBD Authority, and licensees of the State Racing Commission	Minimal
A5	Motor vehicles purchased by the V.A. or the Dept.of H.H.S. Finance and Support for a disabled person	\$38,900
A5	The sale, lease, rental, storage, or use of manufacturing machinery and equipment	\$16,000,000
A5	The sale of installation, repair, and maintenance services performed on or with respect to manufacturing machinery and equipment	(Included above)
A5	Semen used in ranching, farming, or commercial use	\$509,000
A6	Food or food ingredients for human consumption except for prepared food and food sold through vending machines	\$124,920,000
A6	Property sold by parent-booster clubs, parent-teacher-student associations, and stores approved by an elementary or secondary school	\$113,000
A6	An aircraft delivered or any service listed in 77-2701.16 that is rendered here to a nonresident when the aircraft is not to be based in this state	NA
A6	Railroad rolling stock including rental or lease	\$9,750,000
A6	Rentals of railroad rolling stock pursuant to the Interstate Commerce Act	\$1,095,000
A6	An inter-company lease if the transferor directly or indirectly has previously paid a sales and use tax thereon	NA
A6	Agricultural machinery for use in commercial agriculture	\$12,833,000
A6	Lottery tickets sold pursuant to the State Lottery Act	\$5,610,000
A6	Sales of syndicated programming for rebroadcast by radio or TV station	NA
A6	Sales of molds, dies, and patterns	NA
A6	Animal life whose products constitute food for human consumption	\$360,645,000
A6	Copies of public records, except those made available for sale to the general public	NA
A6	Industrial machinery and equipment, including parts for repairs, by another state if the other state provides a reciprocal exemption	NA
A6	Property purchased by a non-nexus seller and transported out of state	\$773,000
A6	Any person who purchases property in another state with the intent of using such property at that location	NA
A7	Property which becomes part of property manufactured for resale	\$753,128,000
A7	Seeds and plants sold, the products being for human consumption	\$17,808,000
A7	Ag chemicals applied to land or crops	\$34,493,000
A7	Oxygen for use in aqua-culture	NA
A7	Nonreturnable containers, containers which hold contents not subject to sales tax, and returnable containers when sold with the contents or when sold for refilling	\$24,500,000
A7	Property which has been taxed in another state	NA
A7	Materials and parts used in common or contract carriers; the purchase of such vehicles, water-craft, or aircraft; the purchase of accessories; and the purchase of equipment required by a regulatory agency	\$22,200,000
A7	Gross receipts from sales of telecommunications service between telecommunications companies	\$10,393,000

A7	Telephone services rendered using a prepaid telephone calling arrangement	\$934,000
A8	Gross income received from videotape, film rentals, and satellite programming (when tax is charged on the admission or service)	\$1,471,000
A8	Food or food ingredients purchased by electronic benefits transfer or food coupons	\$5,125,000
A8	Certain contractor labor; exemptions	\$216,528,000
A8	Purchases of fine art by a museum as defined in section 51-702	\$60,000

Credits and Refunds

A8	Refund for tax paid on materials annexed outside the U.S.	NA
A8	Credit or refund is given when a written contract exists for a construction project and the rate is increased during the term	NA
A8	Refund of tax paid on contractor labor that became taxable during the term of a fixed price contract	NA
A8	The owner of an owner-occupied residential dwelling may obtain a refund of sales tax paid on the contractor labor performed on the unit	NA
A8	Credit is given to the retailer for sales charged off as worthless for income tax purposes and a credit is given for the portion of the purchase price remaining unpaid at the time of repossession	NA
A8	Refund for sales tax paid on repairs or parts for farm equipment	NA
A8	Refund for sales taxes paid on an air or water pollution control facility	\$32,500
A9	Employment Expansion and Investment Incentive Act	(See section V)
A9	Employment and Investment Growth Act	(See section V)

Deductions

A9	Collection fee taken by retailers	\$15,325,000
A9	The state deducts from the local sales tax proceeds the amount of refunds and a three percent administrative fee	\$8,507,000

SECTION B – Property Tax

Exemptions

B2	Property of the Conservation Corporation	NA
B2	Municipal airports and landing fields	NA
B2	City airport authorities	NA
B2	County airport authorities	NA
B2	Joint airport authorities	NA
B2	Cemetery associations	NA
B2	Burial lots sold by a cemetery association	NA
B2	Metropolitan cities	NA
B2	Municipal parking authorities	NA
B3	Metropolitan transit authorities	NA
B3	Primary class cities	NA
B3	Redevelopment authorities	NA
B3	Corporations organized for holding property in trust	NA
B3	Industrial development public corporations	NA
B3	Hospital authorities	NA
B3	Property held by the Nebraska Game and Parks Commission	NA
B3	Public museums	NA
B3	The Nebraska Investment Finance Authority	NA
B3	The Small Business Development Authority	NA
B3	The state and its governmental subdivisions	NA
B3	Agricultural and horticultural societies	NA
B3	Educational, religious, charitable, or cemetery organizations	NA
B3	Household goods and personal effects	NA
B3	Value of land due to trees planted along the highway	NA

B3	Property not depreciable	NA
B3	Vehicles paying a registration fee in-lieu-of ad valorem taxes	NA
B3	Business and agricultural inventory	NA
B3	Mobile home and vehicle owned by a disabled or blind veteran	NA
B4	Space provided for supportive medical services	NA
B4	Qualifying personal property exempt from property tax under the "Employment and Investment Growth Act" (LB775)	(See section V)
B4	Married claimants 65 years of age or over with household income of less than \$33,251	NA
B4	Single claimant 65 years of age or over with household income of less than \$28,201	NA
B4	Married veteran totally disabled by non-service connected accident or illness with household income of less than \$35,801	NA
B4	Single veteran totally disabled by a non-service connected accident or illness with household income of less than \$31,001	NA
B5	Married disabled individual with household income of less than \$35,801	NA
B5	Single disabled individual with household income of less than \$31,001	NA
B5	Married veteran drawing compensation from DVA for 100 percent service-connected disability with household income of less than \$35,801	NA
B6	Single veteran drawing compensation from DVA for 100 percent service-connected disability with household income of less than \$31,001	NA

Preferential Tax Rates and Valuation

B6	When a community redevelopment authority purchases or acquires real property pursuant to sections 18-2101 to 18-2144, the authority shall pay in lieu of taxes to the respective political subdivisions	\$0.00
B7	When Game and Parks Commission acquires private lands, they shall make payments in-lieu-of taxes as were made for the year prior to such acquisition to the county treasurer of the county in which the land is located	\$447,306
B7	A housing agency may agree to make payments in lieu of all taxes	\$461,926
B7	Pursuant to section 77-211, any political subdivision, tax-exempt corporation acting with respect to any hospital shall charge such tenants a sufficient amount of rent to cover the in lieu of taxes	\$16,837
B7	Land valued for agricultural use	NA
B7	Public corporations and political subdivisions paying in-lieu-of-taxes	\$1,062,167
B8	FY 2005-06 Homestead Exemption Reimbursement	\$53,860,684

SECTION C – Individual, Fiduciary, Corporation Income Taxes, and Financial Institution Tax

Exemption

C2	Nebraska's income tax system Federal tax credits not recognized unless specifically approved. Any federal taxable income that is exempt from state taxation pursuant to federal law is not taxed by Nebraska.	NA
C2	A taxpayer with less than \$5,000 in adjustments increasing federal AGI shall not have a state tax liability greater than their federal income tax liability	\$785,000

Deductions

C2	Interest or dividends on obligations of the United States and dividends from a regulated investment company	\$11,500,000
C2	Net operating loss derived from Nebraska sources	\$4,750,000
C3	State income tax refunds included in federal AGI	\$2,400,000
C3	Dividends received from corporations not subject to the Internal Revenue Code	NA
C3	Corporate taxpayers subtract a portion of the income subject to tax by a foreign country	\$9,400,000

C3	Income shall exclude any amount repaid by the taxpayer for which a reduction in federal tax is allowed under section 1341(a)(5)	NA
C3	Federal AGI shall be deducted by the amount donated to the Nebraska educational savings plan trust	NA
C3	Deduction by the amount of contribution made to the Nebraska educational savings plan trust	\$715,000
C3	Individuals may take a deduction for contributions to the Nebraska Long-Term Care Savings Plan	\$1,920,000
C3	Individuals that don't itemize are allowed a standard deduction	\$138,500,000
C3	The greater of either the standard deduction or all federal itemized deductions except for state or local income taxes paid	\$225,780,000
C3	Carryforward of net operating loss	\$23,800,000
C4	Certain awards to individuals and businesses under LB 254 (Relocation Assistance Act)	NA

Exclusions

C4	Gain from the sale or exchange of capital stock of a corporation acquired by the individual	\$35,000,000
C4	Exclude the portion of the income received from a small business corporation that is not derived from or connected with Nebraska sources	\$35,500,000

Credits

C4	Credit for the elderly and disabled	\$30,000
C4	Credit for child/dependent care	\$11,650,000
C4	Credit for income tax imposed on them by another state	\$30,600,000
C4	Refundable credit under the Beginning Farmer Tax Credit Act	\$83,000
C4	Credit for contributions to certified community betterment programs	\$65,000
C4	Refundable earned income tax credit is allowed to NE residents equal to 8% of the federal earned income tax credit	\$16,450,000
C5	Non-refundable credit	\$159,520,000
C5	Dual resident taxpayers allowed to reduce the tax on portion of income subject to tax in both jurisdictions	Minimal
C5	Credit for the amount of in-leu-of intangible tax paid	\$8,000,000
C5	Employment Expansion and Investment Incentive Act	(See section V)
C5	A NE resident is allowed a credit of 15 percent of the charitable gift portion of a planned gift to any qualified endowment.	\$3,863,000
C5	Employment and Investment Growth Act	(See section V)
C5	LB 829 (Quality Jobs Act)	(See section V)
C5	LB 936 (Rural Economic Opportunities Act)	(See section V)
C5	LB 620 (Invest Nebraska Act)	(See section V)
C6	Renewable energy tax credit for producers of electricity generated by a new zero-emission facility	NA
C6	LB 775 is replaced with the Nebraska Advantage Act (LB 312)	(See section V)
C6	The Employment Expansion and Investment Act was renamed the Nebraska Advantage Rural Development Act (LB 312)	(See section V)
C6	Micro-business tax incentive program	NA
C6	Incentive program for businesses that invest in research and experimental activities	NA

Preferential Tax Rates

C6	Corporate income tax	\$5,630,000
C6	Insurance companies	NA
C7	The individual and fiduciary income tax rates are calculated as a percent of the primary rate	NA

Financial Institution Taxes

Exemption

C7	Federal credit unions and mutual fund companies	\$355,000
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Credit

C7	Credit for contributions to community betterment programs	\$38,500
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SECTION D – Railroads, Public Service Entities, Car Lines, and Air Carrier Flight Equipment Property Tax

Exemptions

D2	Governmental Subdivision and Not-For-Profit Organizations	NA
D2	Railroad Personal Property	\$0
D2	Public Service Company Personal Property	\$0
D2	Air Carriers Flight Equipment	\$0
D2	Collection fee (Car Lines)	\$83,079
	Collection fee (Air Carriers)	\$79,616

SECTION E – Alcoholic Beverages Tax and Fees

Exemptions

E1	The possession of alcoholic liquors for personal use	NA
E1	The making of alcoholic beverages if used solely for the use of the maker	NA
E1	The use by a physician or dentist in the practice of their profession	Minimal
E1	The use by a hospital or other institution caring for the treatment of patients	NA
E1	The use by a drugstore in the compounding of prescriptions of licensed physicians	NA
E2	The dispensation of wine by any church for religious ceremonies	NA
E2	Liquors shipped out-of-state for consumption outside Nebraska	NA
E2	Dry or fortified wines used for sacramental purposes	NA
E2	Beer sold to a manufacturer for use in the manufacture of patent and proprietary medicines; flavoring extracts; scientific, industrial, and chemical products; for scientific, chemical, experimental or mechanical purposes	\$0
E2	The tax is not imposed where prohibited under the United States Constitution and federal law	NA
E2	No tax is imposed upon the U S Armed Forces engaged in resale activity	NA

Deduction

E2	The manufacturer or distributor is allowed a discount of one percent of the tax for timely payment of the tax	\$246,139
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Credits

E2	A credit is allowed for tax paid for: (1) beer shipped out of Nebraska, and (2) beer returned to the manufacturer	\$11,608
E2	A credit is allowed for the amount of tax paid by any instrumentality of the United States Armed Forces engaged in resale activities	\$39,266

Preferential Tax Rates

E2	Different rates of tax:	
	Beer - \$0.31 per gallon	\$0.01 increase would generate \$439,785 additional revenue
E2	Wines - \$0.95 per gallon	\$0.05 increase would generate \$108,627 additional revenue

E2	Alcohol and Spirits - \$3.75 per gallon	\$0.05 increase would generate \$106,055 additional revenue
E2	Wine from farm wineries - \$0.06 per gallon	\$0.05 increase would generate \$1,864 additional revenue

SECTION F – Bingo, Lottery, Raffle, and Lottery by Pickle Card Tax

Exemptions

F3	Bingo taxes do not apply to any bingo game played for which no charge is made and/or when any prize awarded does not exceed twenty-five dollars in value	Minimal
F3	The state bingo tax does not apply on sales of supplies by a licensed distributor to a licensed organization or on the sale of such supplies by some other retail business to the general public	Minimal
F3	Any lottery conducted by a nonprofit organization with gross proceeds not exceeding \$1,000 or any raffle conducted by a nonprofit organization with gross proceeds not exceeding \$5,000	NA
F3	Federal law prohibits state regulation and taxation on bingo activities conducted by Indian Tribes on Indian land within Nebraska	NA

SECTION G – Cigarette Tax

Exemptions

G1	The portion of the wholesale dealer's stock which is not intended to be sold or given away	NA
G1	Federal law prohibits state taxation of cigarettes sold to the U.S. government or one of its agencies	\$1,287,400

Deduction

G1	Discount of one and seven-tenths percent of face value of the tax is given as a commission for affixing and canceling of such stamps	\$1,035,850
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Credits

G1	Unused or spoiled stamps are redeemed by the State Tax Commissioner	\$274,300
G1	Federal statutes and treaties prohibit state taxation of cigarettes sold to Native American Indians	\$133,600

SECTION H – Corporation Occupation Tax

Exemptions

H2	The listed activities of a foreign corporation are not considered to be transacting business in Nebraska and therefore exempt the corporation from imposition of the corporate occupation fee	NA
H3	All entities paying fees and making reports to the Auditor of Public Accounts or the Director of Banking and Finance, and all other corporations paying an annual occupation tax to the state are exempt	NA

SECTION I – Documentary Stamp Tax

Exemptions

I1	Deeds recorded prior to November 18, 1965	NA
I1	Deeds to property transferred by or to the government	NA
I1	Deeds which secure or release a debt or other obligation	NA

I1	Deeds which supplement a deed previously recorded but which do not extend or limit existing title or interest	NA
I1	Deeds between family members without actual consideration	NA
I1	Tax deeds	NA
I2	Deeds of partition	NA
I2	Deeds made pursuant to mergers, consolidations, sales, or transfers of the assets of corporations	NA
I2	Deeds made by a subsidiary corporation to its parent corporation for no consideration other than the cancellation or surrender of the subsidiary's stock	NA
I2	Cemetery deeds	NA
I2	Mineral deeds	NA
I2	Deeds executed pursuant to court decrees	NA
I2	Land contracts	NA
I2	Deeds which release a contingent interest	NA
I2	Deeds of distribution conveying to devisees or heirs property passing by testate or intestate succession	NA
I2	Deeds transferring property in a Native American Indian reservation	NA
I2	Deeds transferring property into a trust	NA
I2	Deeds transferring property from a trustee to a beneficiary of a trust	NA
I2	Deeds which convey property to any partner in the partnership	NA
I2	Leases	NA
I2	Easements	NA

SECTION J – Transfer Taxes

Deduction

J1	A deduction is allowed for the total amount of all estate, inheritance, legacy, or succession taxes paid. A deduction is allowed for the lesser of taxes paid to any state, D.C., possession of the U.S., or another formula.	\$27,360,000
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Credit and Refund

J1	A refund is allowed for any overpayment of estate tax	\$570,840
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SECTION K – Inheritance Tax

Exemptions

K1	The homestead allowance is exempt	\$44,130
K1	Exempt property is not subject to the tax	\$135,400
K1	The family maintenance allowance is exempt	\$24,400
K1	The first \$10,000 of the clear market value of property transferred to an immediate relative of the decedent is exempt	\$1,334,410
K1	Interests passing to the surviving spouse are not subject to tax	\$2,500,700
K1	The first \$2,000 of the clear market value of property transferred to remote relatives of the decedent is exempt	\$784,880
K2	The first \$500 of the clear market value of the beneficial interest in the estate received by someone other than an immediate or remote relative is exempt	\$225,060
K2	Payments received by an estate under an employee benefit plan are exempt	NA
K2	Property transferred to either (1) the United States or (2) Nebraska or any of its governmental subdivisions is exempt	NA
K2	All bequests to organizations organized for religious, charitable, public, scientific, or educational purposes is exempt	\$10,580,750

Deductions

K2	The following deductions from the value of the property subject to the tax are allowed:	
	1. The cost of the funeral	\$1,247,200
	2. All expenses of administration:	
	Attorney fees	\$1,279,685
	Personal Representative's fees	\$479,160
	Court costs and recording fees	\$42,020
	Publication costs	\$11,360
	Bond	\$14,500
	Other administration expenses	\$606,760
	Expenses concerning property not subject to probate	\$57,750

Deductions

K2	3. All expenses of the last illness	\$311,850
K3	4. All other debts upon which the decedent was liable	\$822,270
K3	5. Any federal estate tax paid	\$5,608,270

Credit

K3	In the instance where a decedent has received property received property from another person who died within five years prior to the death of the decedent upon which Nebraska inheritance tax was paid because of the death of the prior decedent, such tax so paid is allowed as a credit against the amount of inheritance tax assessed against the recipients of property from the estate of the decedent.	\$82,020
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Preferential Tax Rates

K3	Property transferred to immediate relatives, remote relatives, and others:	NA
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		Tax Rate
Immediate Relatives	\$10,000.01 & over	1%
Remote Relatives	\$ 2,000.01-60,000.00	6%
	\$60,000.01 & over	9%
Other Transfers	\$500.01-5,000.00	6%
	\$5,000.01-10,000.00	9%
	\$10,000.01-20,000.00	12%
	\$20,000.01-50,000.00	15%
	\$50,000.01 & over	18%

SECTION L — Insurance Premium Tax

Exemptions

L2	Premiums on all annuity	Domestic:	\$960,961
		Foreign:	\$12,363,274
L2	Premiums for pension plan contracts which are described in section 818(a) of the Internal Revenue Code of 1954, as amended	Domestic:	\$574,543
		Foreign:	\$1,650,321
L2	Fraternal beneficiary associations	Domestic:	\$31,199
	On gross premium written:	Foreign:	\$1,323,034
	If dividend deduction were allowed:	Domestic:	\$25,902
		Foreign:	\$1,278,605

Deductions

L2	Contributions to the Nebraska Property and Liability Insurance Guaranty Association and Life and Health Insurance Guaranty Association	Domestic:	\$363,114
		Foreign:	\$2,379,016

L2	Companies whose scheme of operation contemplates the return of a portion of premiums to policyholders	Domestic:	\$47,098
		Foreign:	\$415,581
L2	Credit for contributions to Community Development Assistance Act	Domestic:	\$667
		Foreign:	\$0
L2	Contributions to the Comprehensive Health Insurance Pool	Domestic:	\$0
		Foreign:	\$0

SECTION M – Local Occupation and License Tax

Exemption

M1	All lectures, entertainments, and concerts	NA
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SECTION N – Lodging Tax, Nebraska and County

Exemptions

		State	Counties
N1	Some entities which are exempt from the sales/use tax and state/local government exemptions	\$274,500	\$732,450
N1	Federal government	NA	NA

Deduction

N2	Administrative fee	\$0	\$298,850
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SECTION O – Motor Vehicle Fuels, Aircraft Fuels, Diesel Fuel and Compressed Fuel Tax

Exemptions

O3	Motor vehicle fuels and diesel-compressed fuels used by a metropolitan transit authority	\$427,600
O3	Foreign or interstate commerce (motor fuels)	NA
O3	Sold one-time only to another licensed motor fuels distributor for resale purposes	\$30,280,000
O3	Diesel fuel dyed at the terminal rack and sold for non-highway use	NA
O3	Motor fuel purchases-U.S. government or agencies	\$416,865
O3	Undyed diesel fuels used in the operation of temperature control units or power take-off units under certain conditions	NA

Deductions

O3	Motor vehicle fuel importing dealer commission	\$6,245,350
O3	Aircraft fuels importing dealer commission	Minimal
O3	Diesel fuel dealer commission	\$694,510
O3	Compressed fuel retailer collection fee	Minimal

Credits and Refunds

O4	Compressed fuels and motor vehicle fuels sold on a Nebraska Native American Indian reservation to a Native American Indian residing there	\$96,046
O4	Refund of motor vehicle fuels tax on fuel:	
	Destroyed	Minimal
	Used by the U.S. Government or agencies	\$416,865
	Sold outside Nebraska	\$141,681
	Tax paid in error	Minimal
	Agricultural or other non-highway use	\$471,840
O4	Refund of aircraft fuel tax on fuel:	
	Destroyed	None
	Used by the U.S. government or agencies	\$11,194

	Sold outside Nebraska	Minimal
	Tax paid in error	None
O4	Credit for aviation fuels for use in an FAA approved air school	Minimal
O4	Ethanol facility shall receive a non-refundable transferable credit of 18 cents per gallon up to 15,625,000 gallons per year	\$14,473,751

Preferential Tax Rates

O4	Aviation gasoline (five cents per gallon) versus aviation jet fuel (three cents per gallon)	\$1,125,500
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SECTION P – Motor Vehicle Registration/Licensing Fees

Exemptions

P2	Exempt by definition from motor vehicle registration fees	NA
P2	Nonresident owner	NA
P2	Licensed dealer in motor vehicles or dealer in trailers	NA
P2	Licensed manufacturer	NA
P2	Finance companies	NA
P2	Transporter	NA
P3	Nonresidents in temporary ag. employment (temporary operation)	NA
P3	No registration fee is required for city/village motor vehicles	\$710,370
P3	Motor vehicle tax	NA
P3	Exempts motor vehicle tax for nonresident military personnel	NA

Deductions

P3	County treasurers' collection fee for nonresident registration fees	NA
P3	County treasurers' collection fee for snowmobile registration fees	\$203

Credits

P3	Nonresident refund of license fee	NA
P3	Registration fee credit for disabled and removed motor vehicle from a fleet of registered motor vehicles	NA
P4	Motor vehicle tax credit when re-registering under prorate provisions	NA
P4	Option to register several motor vehicles on the same date and credit for registration paid	NA
P4	Sold or lost motor vehicle and refund of fees	NA
P4	Disabled motor vehicles and refund of fees	NA

Preferential Tax Rates

P4	Owners engaged in operating a fleet of apportionable vehicles	NA
P5	Special commercial registration fee for local vehicles solely operating within a ten-mile radius of a city/village	\$271,937
P5	Farm truck special registration fee	\$27,197,610
P5	Special fees for special purpose commercial trucks hauling livestock	NA
P5	Trucks used in soil and water conservation work (special registration fees)	\$105,337
P5	30-day farm permits	Minimal
P5	Special fees for trailers	\$813,956
P5	Special fees for recreational vehicles	\$592,920
P5	Well-boring apparatus special registration fee	\$335,503

SECTION Q – Oil and Gas Severance Tax

Exclusion

Q1	Severing, re-pressuring, or recycling use	NA
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Exemption

Q2	Interests of government units and Native American Indian tribes	None
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Preferential Tax Rate

Q2	Special rate for stripper wells	\$352,890
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SECTION R – Parimutuel Wagering Tax**Exemption**

R1	First \$10,000,000 wagered at every racetrack (except State Fairgrounds)	\$786,039 or \$1,286,039
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Preferential Tax Rate

R1	Racing at the State Fairgrounds is excluded from tax	(See section) \$453,262 or \$203,262
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Credits

R1	Two percent of first taxable \$70,000,000 except State Fairgrounds races	(See section) \$1,229,020
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SECTION S – Public Power and Irrigation Districts' Gross Revenue Tax**Deductions**

S1	Public power districts deduction from gross revenue tax (1957 in lieu of taxes)	\$1,062,167
S1	Public power districts deduction from gross revenue tax (city occupation tax)	\$326,448

SECTION T – Waste Reduction and Recycling Fees**Exemptions**

T1	Exclusions from the definition of a qualified tire	\$755,400
T1	Resale of qualified tire	\$460,600
T1	Tires sold and delivered to another state	\$34,230
T1	Tires sold to the federal government and agencies	\$2,150
T1	Tires sold to Native American Indians	(Included in above)

Deduction

T2	Collection fee	\$72,050
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SECTION U – Nebraska Petroleum Release Remedial Action Fee**Exemptions**

U1	Denatured agricultural ethyl alcohol not blended with motor vehicle fuels or blended with gasoline at a pipeline terminal in Nebraska	NA
U1	Petroleum packaged in special individual containers	NA

Credits

U1	Any fee paid on petroleum which was taxed and then exported	\$255,650
U1	Any fee paid on petroleum which was taxed and then sold to a federal agency	\$7,180

Deduction

U1	Collection fee	\$28,000
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**SECTION V – Employment and Investment Growth Act,
Employment Expansion and Investment Incentive Act, (Including the Enterprise Zone
Act), Quality Jobs Act, Rural Economic Opportunities Act, Invest Nebraska Act, and the
Nebraska Advantage Act**

Exemptions

V1-2 Basic provisions and tax base

(See separate
publication for
estimates of
exemptions)